

## Los Angeles County Department of Regional Planning



Planning for the Challenges Ahead

August 3, 2010

TO:

Supervisor Gloria Molina, Chair

Supervisor Mark Ridley-Thomas

Supervisor Don Knabe

Supervisor Zev Yaroslavsky Supervisor Michael D. Antonovich

FROM:

Richard J. Bruckner

Director

SUBJECT:

**RESPONSE TO BOARD MOTION TO INITIATE PROGRAM 10:** 

INCLUSIONARY HOUSING PROGRAM OF THE HOUSING ELEMENT

(AUGUST 5, 2008, ITEM #68)

At the public hearing for the Los Angeles County Housing Element on August 5, 2008, the Board instructed the Department of Regional Planning (DRP) to initiate the required feasibility study for establishing an inclusionary housing program, and report back to the Board within a year.

## **Program 10: Inclusionary Housing Program**

The intent of Program 10 of the Housing Element is to consider the feasibility of establishing an inclusionary housing program for the unincorporated areas.

Since August 2008, the DRP staff has prepared a preliminary draft of the study, which includes an extensive literature review of research on inclusionary housing, and the results of a stakeholder survey. The preliminary draft also reflects outreach with numerous stakeholders, including but not limited to planners from other local jurisdictions, building industry representatives, housing advocates, researchers and housing developers. The DRP staff also worked closely with CDC staff and the Housing Advisory Committee to identify key issues.

The recent court decision in *Palmer/Sixth Street Properties vs. City of Los Angeles*, which found that mandatory affordability requirements for rental housing violate the Costa-Hawkins Act, impacted many local jurisdictions' inclusionary housing policies. At this time, the staff is not aware of any organizations that are pursuing legislative changes to address this decision.

In conjunction with County Counsel, the Department of Regional Planning will rework the preliminary draft of the study to focus on the feasibility of inclusionary housing policies that are not impacted by the *Palmer* decision, which may include: requirements for affordable housing fees; requirements for affordable housing set-asides for for-sale projects; or requirements for affordable housing set-asides when applicants enter into an agreement to provide affordable units in exchange for financial assistance, incentives or as part of a development agreement.

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The staff will provide a status report to the Board no later than December 1, 2010. If you have any questions regarding this study, please contact Connie Chung at (213) 974-6417 or <a href="mailto:cchung@planning.lacounty.gov">cchung@planning.lacounty.gov</a>.

## RJB:CC:AR

c: Chief Executive Office, Attn. Brence Culp County Counsel Executive Office Department of Public Works Community Development Commission